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Carter County Industrial Development Board

Minutes for December 7, 2017

The Industrial Development Board met on 12/7/2017 at the Borla Performance Solutions facility at 500 Borla Drive, Johnson City, TN 37604. The purpose of the meeting at Borla was to allow members of the CCIDB to tour the facilities and ask questions about the on-going operations and future plans for Borla and its tenants at the facility.

Members present were:

- Phil Isaacs
- Elaine Skelton
- Peter Voigt
- Rick Brewer
- Kris Richardson
- Arnold Hopland
- Chris Guy
- Jimmy Street

Additional attendees: Mayor Leon Humphrey, Allen Stoner-Chief Financial Officer of Borla and Lisa Stoner-Marketing Director of Borla.

Chairman Isaacs proceeded with introductions of attendees. Meeting proceeded.

Old Business:

Review briefly of the presented Minutes. No corrections. Minutes approved.

New Business:

Review of the request by Borla Industries to have their PILOT extended for a term of 10-years. Tour commenced. Tour included the physical facility as used by Borla. Borla employees approximately 250 employees at the Johnson City/Carter County facility and 23 employees at their Oxnard, CA location.

Additionally, locations of past tenants and history of previous tenants were discussed and why those tenants were no longer present. For example, ETSU Entrepreneurial program to assist start-up businesses. Program ceased once grant funding had been depleted.

Tour of existing tenant facilities – significant employer at Borla; Allied Dispatch Solutions. ADS employees 350 (+) at the Borla facility. ADS has no other location and was developed from “the ground up” in Carter County. ADS has existing 3-year lease with 2 years remaining on the current lease.

Further discussions included the actual PILOT request. One significant item pending for Borla is an \$800,000.00 capital investment in the repaving of the access road and 1300 to 1400-unit parking lot at the 500 Borla Drive location. Value of contract can be confirmed with Summers and Taylors of Elizabethton, TN, the intended contractor for the paving project.

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Additional Notes:

- 1) Borla - Expected double digit growth at a minimum of 10% projected for the next 10 years.
- 2) Borla is expected to expand their Research and Development programs at the Johnson City/Carter County location.
- 3) Borla does receive a tax waiver in kind from Johnson City but does pay taxes on personal property in kind as to Carter County.
- 4) Commitment to assist with future development at the Borla facility by providing for future tenants at 3 existing 43,000 square foot building pads.
- 5) Utilities are adequate for expansion and services are provided by Elizabethton Power.
- 6) Currently the 103 acres inside the fenced area of 500 Borla Drive is not available for sale. However, there are 23 acres (+ or -) outside of the fenced area that is available for sale.

Tour concluded. General question and answer session followed, as noted in "Additional Notes" above.

Chairman Isaacs thanked Borla officers for the tour and the meeting. Motion made to close meeting and passed. Next meeting to be January 2, 2018 at 9 AM at the Carter County Mayor's Conference Room.

Respectfully submitted,
Elaine Skelton

Approved
by _____